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ABSTRACT

A new theme in the old tension between centralization and decentralization in the governance and administration of Australian higher education is explored. The argument is that the various major attempts to restructure Australian education systems both in centralizing and decentralizing forces have gained new strength, and that the recent stated policies of ministers and governments for increased decentralization often have been largely unsuccessful because of the strength of new centralizing forces, often not anticipated or perhaps properly understood even by key policymakers themselves. The result is often considerable frustration and disappointment. A theoretical look is taken at the terms of centralization and decentralization and related concepts. Centralization and decentralization in relation to the various major attempts of the past decade to restructure state school systems are discussed. Themes of centralization and decentralization in relation to recent attempts by the Federal Minister for Employment, Education, and Training (John Dawkins) to restructure Australian higher education are explored. It is suggested that a new theory to explain why the forces of centralization are strong is needed. Such a theory would take into account new currents within the education sector and forces which derive from major social and political changes outside. Contains 13 references. (SM)

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'Increased Government Intervention versus Increased Institutional Autonomy: The Recent Case of Australian Higher Education'

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Introduction

This paper seeks to explore what appears to be a new theme in the old tension between centralisation and decentralisation in the governance and administration of Australian education. From its earliest foundations Australian education systems have exhibited both centralising and decentralising forces, often tending to move towards either centralisation or decentralisation. Thus, in the late 19th and early 20th centuries, the clear tendency was towards increased centralisation, driven by a desire to equalise educational services across vast states. But in more recent years there has been a reversal of this with deliberate moves to work towards decentralisation accompanied by increased devolution of control to local school boards or councils. Significantly, at the same time, many observers have noted that in the United States at state level there has been the opposite trend towards centralisation, with a movement of substantial power and responsibility from school boards and school districts to the state government. But despite this tendency for education system often to be moving either towards increased centralisation or increased decentralisation, to some extent countervailing forces of both centralisation and decentralisation have always operated simultaneously.

The argument, however, in this paper is that in the various major attempts to restructure Australian education systems both centralising and decentralising forces have gained new strength, and that the recent stated policies of Ministers and governments for increased decentralisation have often been largely unsuccessful because of the strength of new centralising forces, often not anticipated or perhaps properly understood even by key policy-makers themselves. The result often is considerable frustration and disappointment, both for those at the centre and periphery.

The paper falls into three clear parts. The first is theoretical and considers the terms of centralisation and decentralisation and related concepts, and draws on literature. The second section considers the themes of centralisation and decentralisation in relation to the various major attempts of the past decade or so to restructure state school systems. The third considers the themes of centralisation and decentralisation in relation to recent attempts by the Federal Minister for Employment, Education and Training to restructure Australian higher education.

Centralisation and decentralisation

In the literature of bureaucracy and administration, there are extensive bodies of writing relating to centralisation and decentralisation (e.g. Baum 1961, Derthrick 1974, Maas 1957, Rein 1972 and Zimet 1973) and to the forces that operate within organisations to achieve one or other of these two characteristics. This literature provides some help in understanding the new phenomena which is the concern of this paper, but the extent of this help is limited for two main reasons. First, the social and political context of education has changed considerably, especially with regard to the role governments are increasingly taking in directing economic adversity. Second, the literature does not relate the centralisation and decentralisation themes to major efforts of organisational and administrative restructuring, initiated and created by governments.

In brief, centralisation can be defined as the concentration of power at the centre within an organisation or group of organisations, while decentralisation refers to concentration of power at the periphery. Often there is confusion between these terms and the related ideas of devolution and delegation. There is also confusion between the concepts of centralisation and decentralisation and that of participation in governance. Some writers make a distinction between political and administrative decentralisation; the first they

see as referring to the transfer of power to another organisation or unit within the same system, located closer to the periphery (e.g. transfer of power from the Department of Education to a school council), while administrative decentralisation is used to refer to transfer of power to lower hierarchical levels within the same organisation (e.g. transfer of responsibilities from officers in head office, to officers in a regional office). Sometimes the latter is called devolution.

These distinctions are not completely satisfactory. Further the concepts of centralisation and decentralisation are often confused with the question about who participates and power in governance. This is because arguments in favour of increased decentralisation are often based on a desire to broaden participation and at local level to give parents, other members of the community, teachers and students, or some combination of these groups, increased 'voice' in decision-making. But, of course, decentralisation might not involve increased participation, especially by parents and the community, as it might involve simple delegation of power to regional offices and/or to schools. Similarly, increased centralisation is not necessary against wider participation, for even in a highly centralised system of education reasonably broad participation from the community could be achieved through one or more system-wide advisory councils.

Benveniste believes that the strong tendency in modern organisations is towards centralisation. He writes:

> Organisations are continually altering administrative arrangements either to centralize or decentralize - that is, they go through both processes and often alternate between reorganizations that centralize and reorganizations that decentralize. But the main tendency is towards centralization. The concern for decentralisation is only a concern - a reaction to the need for centralization and its consequences (Benveniste 1977, p. 156).

Benveniste categorises the three main forces operating towards increased centralisation as externalities, articulation and internal benefits. *Externalities* refer to the effects of the decisions of individuals or single organisations on a larger collective. Attempts are made to remedy these effects through centralisation because:

a) individual units do not have the relevant information to make decisions (e.g. one school to meet state-wide labour market needs);

b) the rational acts of individual units have repercussions that cause undue damage to other units (e.g. the decision by one university to lower pass standards for courses could subject all universities in the state or nationally to criticisms); and

c) where collective action is necessary to improve the well-being of all units, there is no incentive for individual units to act singly in collective interest, unless they are assured that all other units will react simultaneously (e.g. for one university to reduce teacher education enrolments to adjust to a situation of over-supply of teachers, unless all competitors are likely to do likewise).

Articulation is the process of relating the action of individual units to other units. Centralisation is necessary when:

a) duplication of service is wasteful;

b) conflict between units whose work is interdependent must be adjudicated; and

c) the costs of articulating decisions of many interdependent units is too high if each unit attempts to bargain with all other units (e.g. if individual university lecturers tried to bargain individually with other lecturers about the use of classrooms or about hours for classes).

Internal benefits include:

a) economies of scale;

b) the ability of the 'centre' to attract the best managerial talent (and then, in theory, be more capable and better able to take decisions);

c) provision of an institutional basis for equalizing service across units;

d) elimination of corruption;

e) acquisition of greater control over the total enterprise; and

f) standardization and simplification of administrative norms.

Centralisation and decentralisation in Australian school systems

Centralisation and decentralisation are by no means new terms in writing about Australian school systems. Rather over many years a large number of Australian scholars have commented on what they saw as excessive degrees of centralisation of the six state school systems (e.g. Walker 1964, Partridge 1970), often advocating particular strategies of decentralisation. Centralisation has been a key characteristic of Australian school systems that has attracted the attention of a succession of overseas scholars who have written about Australian education (e.g. Cramer 1936, Butts 1955). And from time to time, state ministers of education and their permanent heads have used decentralisation in education as a rallying cry, and have advocated or announced various measures to achieve increased decentralisation. But in the main, these initiatives up to a decade ago or so achieved comparatively little. True, in a number of states regional offices and regional directorates were created, and there were some experiments with school councils or boards. But most observers believe that these changes did not tilt the balance very far towards decentralisation.

Over the past decade and a half, there have been a number of major attempt to restructure Australian school systems, beginning first in the early 1970s in the Australian Capital Territory and then followed by Victoria, Tasmania and Western Australia and, to some extent, Queensland and South Australia. The New South Wales system remained largely unaffected until a year ago. But with a change of government an inquiry under Dr Brian Scott was established into the administration of the education and youth affairs portfolio.

In at least a number of these systems efforts at restructuring - perhaps in all - major themes have been decentralisation and increased participation in governance at school level. The case of Victoria provides a good example. The first major restructuring initiated by Alan Hunt as Minister for Education clearly had decentralisation and increased participation as two goals, though probably somewhat of lesser importance than the overall goal of management efficiency (Frazer, Dunstan and Creed 1985). Hunt probably had three major motivations for wanting increased decentralisation: the

central office of the Department of Education was overloaded and unable to cope with the volume of business, professional educators needed to have more say at school level on professional matters, and many of the key interest groups sought these goals.
In due course the White Paper of Alan Hunt was implemented. Regional units were strengthened and more power was given to schools and school councils. Further changes under other Ministers followed and these deliberately tended to push further towards the goals of increased decentralisation and participation. But despite the tremendous upheaval in administration that has characterised the Victorian state school system through the 1980s, the strong impression is that the system is still relatively highly centralised and that strong forces of both decentralisation and centralisation continue to operate.

The categories provided by Benveniste provide some help in explaining the renewed forces of centralisation. Externalities appear to have been relatively unimportant, because the system was highly centralised. The forces that Benveniste sees as operating towards centralisation, I suspect, only operate from a relatively decentralised base. His factors of articulation and internal benefits fit better. On articulation, questions about duplication often came up when it was proposed to devolve particular services from head office to the regions. Invariably concern was expressed about the costs of duplicating each particular service to each region, both in terms of costs and efficiency, and in terms of quality. The internal benefits categories are more useful. In attempts to decentralise, concern was often expressed about costs and the advantages of economies of scale, about the need to equalise services across the state, about the difficulty of attracting highly qualified professionals to country regions, and about the desirability of standardisation of the particular service across the state. But perhaps even more important was the motivation of both government and senior officers to acquire greater control over the enterprise.

But apart from these factors, I suspect a number of other factors have operated to produce strong centralising and re-centralising forces. First, despite the ideological and professional commitment of many key administrators of the Victorian education system to decentralise, I suspect they are centralisers at heart. The ideas of centralisation run deep and I suggest it is difficult for many individuals well socialised into centralised thinking to change quickly. Second, while many key interest groups supported decentralisation and increased participation others did not. For example, in the submissions in response to the Green Paper, a number argued against change from the status quo. Alan Hunt, the Minister at the time, reports:

> ... on the question of greater autonomy and responsibility for school councils, there was a very marked difference of opinion between school councils of small country primary schools on the one hand, and those of city secondary schools on the other (Hunt in Frazer, Dunstan and Creed 1985, p. 23).

Third, despite what was probably a sincere wish by Alan Hunt and his successors to provide for increased decentralisation, there was the strong centralising force of their wish to implement their particular plans of restructuring. Coupled with this were new political currents, demanding stronger government, a more interventionist style by Ministers, and greater demands for accountability.

The framework of Benveniste thus provides some help, but it is limited. In particular it does not provide help to understand the forces of centralisation introduced in major efforts at restructuring.

Dawkins and the reconstruction of Australian higher education

John Dawkins, the Federal Minister for Employment, Education and Training, currently is engaged in a major restructuring of Australian higher education. He became minister responsible for higher education in the major restructuring of portfolios and departments which followed the Hawke Labor Government return to office in the general election of July 1987. Almost immediately after taking up his new portfolio, Dawkins embarked on an ambitious and far-reaching reorganisation and redirection of the higher education system, aimed to make it serve the economic needs of the nation more effectively.

One of the major claims of Dawkins is that his new unified national system of higher education institutions will be given considerably more management discretion and freedom. The White Paper prepared and circulated at the direction of the Minister states clearly:

> The Government's aim is to enhance the autonomy and capacity of institutions to direct their resources flexibly and effectively to meet their designated goals. It is not, as some respondents have suggested, to reduce that autonomy nor to limit the opportunities for staff to influence institutional decisions (Higher education: a policy statement 1988, p. 10).

However, many institutional leaders and commentators consider that, while the Minister may intend to enhance autonomy and provide increased decentralisation, the changes being implemented are in fact going in the opposite direction. The Vice-Chancellor of the University of Melbourne, for example, greeted the Minister's White Paper with the claim that it:

> ... heralds the imposition on Australian universities and Australian science of a period of unprecedented interference and central regulatory controls unknown elsewhere in the world (Williams 1988, p. 6).

Institutional leaders generally point to the following as examples of sustained or additional interference in the internal management of universities and colleges:

1) the Minister is using the very considerable financial powers of the Federal Government to set particular conditions for institutional membership of the new unified national system, particularly relating to minimum enrolment size, educational programs, key areas of institutional management, staffing arrangements, credit transfers, and equity programs;

2) program delivery has been transferred from the Commonwealth Tertiary Education Commission (CTEC) to the Department of Employment, Education and Training (DEET) to give the Minister more control over institutions;

3) a reduction in general recurrent grants in order to transfer funds to the Australian Research Council, and to a Reserve Fund to be used at the Minister's discretion;

4) pressure on state governments to use their legislative power to refashion the size of the governing bodies of universities and colleges in the image of boards of large companies;

5) pressure on institutions to reform their management structures to have fewer and smaller committees and to delegate clear responsibility and authority to their chief executive officers 'to implement agreements reached with the Commonwealth and to hold them responsible for that implementation' (Higher education: a policy statement 1988, p. 103);

6) abolition of the so called binary system;

7) use of educational profiles as a basis for negotiation with institutions on activities and levels of funding; and

8) rationalisation of distance education teaching, with the aim of reducing the number of providers from over 40 to about six to ten.

At the same time it must be admitted that the Dawkins' changes clearly enhance the powers of the institutional chief executive. But the problem remains how to reconcile the fact that, while the Minister claims that his aim is to increase institutional autonomy, it appears that very strong new centralising forces have been created or unleashed.

A number of explanations can be put forward. The first is that the Minister is not sincere and that his talk of institutional autonomy is merely a 'smokescreen'. This, of course, is a possibility, but it is by no means totally convincing. Certainly in public meetings John Dawkins gives the clear impression that he genuinely aims to strengthen institutional autonomy and institutional management. One of the points he makes is that institutions have been too timid in the past, and that he wants then to take bold initiatives. Further, with the other economic rationalists at senior levels in the Cabinet, he appears to be ideologically committed to ideas of deregulation.

A second possible explanation is that Dawkins himself is not aware, or fully aware, of the contradictions inherent in his agenda of reform or that he has decided to ignore the contradictions. This explanation has considerable attraction. Dawkins may well have not thought through his full program in terms of consistency, especially from this viewpoint of autonomy for institutions, or he may see the autonomy of institutions as something which will operate only following a settling in period with his program of change. Apart from this, strong government action is required to achieve the key elements of Dawkins' program. While he may genuinely want institutions to be more autonomous, at the same time he is determined to change institutions and what they do in numerous ways.

A third explanation is to attribute at least some of the blame to his advisers, especially senior officers of DEET and members of the Higher Education Council. There is some evidence to support this view. Senior officers have had to take broad ideas from the Minister and implement them in terms of detailed programs. In doing so, they may have acted in a way that has been more restrictive on institutional autonomy than the Minister wished. For example, this may have happened with the format of negotiations with individual institutions over their educational profile, and in the negotiations with state officials on additional student load and plans for amalgamation of institutions.

A fourth explanation is that institutional leaders have been mistaken about the encroachment on institutional autonomy, or may have exaggerated to make their point. This explanation too appears to have some attraction. Certainly many institutional leaders feel deeply about institutional autonomy and are ready - perhaps too ready - to conclude that some new arrangements in terms of relations with government are likely to reduce their autonomy. They also know that to claim government action is threatening autonomy is a good political line to run - it would be popular with academic

staff and students. On the other hand, experienced observers like Sir Bruce Williams, former Vice-Chancellor of the University of Sydney, believe that autonomy is being reduced. In a recently published detailed critique of the White Paper, Williams is concerned about the increased government intervention in universities and the wish of the Minister to have greater powers. He asks whether the abolition of CTEC was due to 'the wish of the Government to avoid the possible embarrassment o rejecting published financial and other recommendations of an expert statutory authority?' (Williams 1988, p. 2). He also writes:

> According to the White Paper 'the Government will ensure that institutions are free to manage their own resources without unnecessary intervention' (p. 10), but seemingly at the cost of much more expansive concepts of 'necessary intervention' and 'necessary restrictions'. Has freedom become the recognition of the Government's men of necessity? (Williams 1988, p. 3).

A fifth possible explanation is that, at least to some extent, factors beyond Dawkins, his department and the higher education institutions are at work. Dawkins's agenda for higher education derives essentially from the Government's agenda for economic reconstruction. The argument is that Australia faces an economic crisis unless the balance of trade problem can be corrected. This will be achieved only by making Australian industry more competitive and to do this will require a more expert and efficient workforce. In turn, this requires higher education to more directly serve national economic needs. Thus, according to this view, the new centralising forces go beyond Dawkins and his advisers to the political necessities of economic survival. This explanation too has its strengths. It is by no means a sole explanation, but the new centralising forces clearly appear to be driven by forces other than those solely in the higher education community and its related government agencies.

Concluding comments

This paper has pointed to a new phenomenon in educational governance in Australia: strong new forces of both centralization and decentralization set off in major efforts at administrative restructuring, but with a clear tilt towards centralisation. Current uses of terms is not totally satisfactory and existing theories are unable to provide adequate explanations of the dynamics which are operating. What we need is a new theory to explain why the forces of centralisation are so strong, even in restructuring attempts which aim in part to achieve increased decentralization. Such a theory, I suggest, needs to take into account not only new currents within the education sector, but forces which derive from major social and political changes outside. There is sometimes a tendency to blame Ministers of education and their senior officers for the failure of major attempts at decentralization. While some blame may be deserved, to a large extent they may be political actors caught in the middle between opposing forces they do not fully understand.

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